STATE OF ARIZONA

CITIZENS CLEAN ELECTIONS COMMISSION

MUR: No. 04-0080

STATEMENT OF REASONS OF EXECUTIVE DIRECTOR

On behalf of the Citizens Clean Elections Commission ("Commission"), the Executive Director hereby provides the Statement of Reasons showing reason to believe violations of the Citizens Clean Elections Act and Commission rules occurred.

I. Procedural Background

On November 22, 2005, an internally-generated complaint was filed against Edward Ableser, a participating candidate for State Representative District 17, ("Respondent"). Exhibit A. The complaint alleges that four reimbursements to family members and individuals for campaign expenses had exceeded the individual and personal contribution limits. Exhibit B. On December 7, 2005, Respondent responded to the complaint. On December 12, 2005, Respondent met with Commission staff, acknowledged the allegations and submitted receipts and documentation for the reimbursements to these individuals for campaign expenditures. Exhibit C.

II. Alleged Violations

The complaint alleges that Respondent made four reimbursements to individuals for campaign expenditures totaling \$2,277.08. Respondent exceeded the \$550.00 personal expenditure limit set by A.R.S. §16-941(A)(2) and the \$2,830.00 early contribution limit set by A.R.S. §16-945(A)(2). Respondent also exceeded the A.R.S. §16-945(A)(1) individual early contribution limit of \$110.00 by accepting aggregate contributions from an individual in excess of the limit. In addition, two of the contributions at issue, occurred after the period for early contributions had passed. Each allegation is dealt with separately, as follows:

- 1) Respondent's campaign made a payment to Shari Casteel for "reimbursement of food and drink supplies" in the amount of \$111.24 on January 19, 2004. Shari Casteel made a payment to Costco for \$111.24 on January 15, 2004 for expenditures directly related to Respondent's campaign. Exhibit C. Respondent wrote a check for reimbursement four days later on January 19, 2004; however this expenditure was reported in error on January 14, 2004. Exhibit B. Thus, there is reason to believe Respondent violated A.R.S. §16-945(A)(1) by accepting a contribution from a contributor that exceeded the individual contribution limit of \$110.00.
- 2) Respondent's campaign made a payment to Jack and Monika Shaw, Respondent's step-father and mother, for 2,080 "blue tassels and PVC sleeves for campaign handouts" in the amount of \$534.88 on March 25, 2004. Exhibit B. Jack and Monika Shaw made a payment to Fortune Factory on behalf of Respondent's campaign on March 12, 2004, Exhibit C. The

reimbursement was not made and reported on the campaign finance report, however, until eleven days later, on March 25, 2004. Jack Shaw had previously made an individual monetary contribution to Respondent's campaign of \$110.00 on October 2, 2003 that counted towards Respondent's personal money limit of \$530.00. Therefore, there is reason to believe Respondent violated A.R.S. §16-941(A)(2) by exceeding the personal money limit of \$530.00, violated A.R.S. §16-945(A)(1) by exceeding the individual contribution limit of \$110.00 and violated A.R.S. §16-945(A)(2) by exceeding the aggregate early contribution limit.

- 3) Respondent's campaign made a payment to Greg Ableser, Respondent's father, for "reimbursement of food and drinks for a campaign volunteer party" in the amount of \$1,118.22 on November 2, 2004. Exhibit B. Greg Ableser made an expenditure on behalf of Respondent's campaign on November 1, 2004 in the amount of \$517.16 to Costco. He also made four expenditures totaling \$601.06 on November 2, 2004 on behalf of Respondent's campaign: \$147.93 to Discount Party, \$302.08 to Costco, \$22.00 to Fry's, and \$129.05 to Smart and Final. Exhibit C. Greg Ableser also had previously made an individual monetary contribution to the campaign of \$110.00 on October 2, 2003 that counted towards Respondent's personal money limit of \$530.00. Therefore, there is reason to believe Respondent violated A.R.S. \$16-941(A)(2) by exceeding the personal money limit of \$530.00, violated A.R.S. \$16-945(A)(1) by exceeding the individual contribution limit of \$110.00 and violated A.R.S. \$16-945(A)(2) by exceeding the aggregate early contribution limit. There is also reason to believe these payments were made outside the exploratory and qualifying periods, which were November 6, 2002 to August 19, 2004, in violation of A.R.S. \$16-945(B).
- 4) The fourth payment, from Respondent's campaign to Jack and Monika Shaw, was for "reimbursement for supplies for a volunteer party" in the amount of \$512.75 on November 2, 2004. Exhibit B. Jack and Monika Shaw made three expenditures on behalf of the campaign on October 30, 2004: \$53.56 to Fry's Food, \$254.85 to Whole Foods, and \$122.24 to Trader Joe's. They also made an expenditure on behalf of the campaign for \$40.94 to Fry's on October 31, 2004 and another expenditure on November 1, 2004 to Fry's for \$41.16. Exhibit C. Jack Shaw also made an earlier individual monetary contribution to Respondent's campaign of \$110.00 on October 2, 2003 that counted towards Respondent's personal money limit of \$530.00. Therefore, there is reason to believe Respondent violated A.R.S. \$16-941(A)(2) by exceeding the personal money limit of \$530.00, violated A.R.S. \$16-945(A)(1) by exceeding the individual contribution limit of \$110.00 and violated A.R.S. \$16-945(A)(2) by exceeding the aggregate early contribution limit. There is also reason to believe these payments were made outside the exploratory and qualifying periods, which were November 6, 2002 to August 19, 2004, in violation of A.R.S. \$16-945(B).

III. Reason to Believe Finding

Based upon the complaint, the evidence of expenditures on campaign finance reports and receipts provided by Respondent, and Respondent's admission, the Executive Director recommends the Commission find reason to believe violations of the Act's contribution limits occurred.

Respondent has acknowledged the violations as alleged and has proposed that a public administrative settlement be entered to terminate this proceeding. The Executive Director recommends Commission approval of the Settlement Agreement attached as Exhibit D.

| | Dated this day of 1 | December, 2005 |
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| | Todd Lang, Execu | tive Director |